

STATE OF MICHIGAN
DEPARTMENT OF CONSUMER & INDUSTRY SERVICES
BEFORE THE STATE BOUNDARY COMMISSION

In the matter of:

Boundary Commission
Docket #99-C-1

The proposed consolidation of
the Village of Mineral Hills, located in
Iron River Township, and the Cities of
Iron River and Stambaugh as a
Home Rule City.

**SUMMARY OF PROCEEDINGS, FINDINGS OF FACT AND
CONCLUSIONS AND ORDER**

This matter of the proposed consolidation of all of the City of Iron River, all of the City of Stambaugh and all of the Village of Mineral Hills, which is in Iron River Township, Iron County, into a Home Rule City described as follows:

The Southeast 1/4 of the Southeast 1/4, Section 15, T43N-R35W and the South 1/2 of the South 1/2, the Northeast 1/4 of the Southwest 1/4, the Northwest 1/4 of the Southeast 1/4, Section 14, T43N-R35W and the East 1/2 of the East 1/2 of Section 22, T43N-R35W and the East 1/2 of the East 1/2 of Section 27, T43N-R35W and the East 1/2 of Section 35, T43N-R35W and the entire Sections 23, 24, 25, 26, and 36, T43N-R35W and the North 1/2 of the Northeast 1/4 of Section 2, T42N-R35W, Iron County, Michigan.

SUMMARY OF PROCEEDINGS

- A. On April 9, 1999, a petition was filed requesting consolidation of the Cities of Iron River, Stambaugh and the Village of Mineral Hills.
- B. On May 5, 1999, an adjudicative meeting was held to determine legal sufficiency and the petition was found to be legally sufficient pursuant to Public Act 191 of 1968, as amended, and Public act 279 of 1909, as amended.

- C. On June 16, 1999, a public hearing was held to receive testimony given pursuant to Public Act 191 of 1968, as amended. Notice of said hearing was published and mailed pursuant to Section 8 of Public Act 191 of 1968 as amended.

INFORMATION FROM THE RECORD

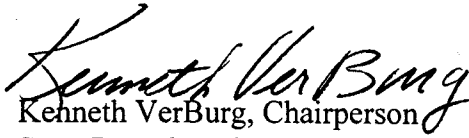
1. The reasons why the communities are considering consolidation are: the declining population, the slow growth rates, the property tax base, the high millage rates relative to the State mean, minimal economic development, the high cost of municipal services, and the aging infrastructure.
2. Due to the low population density there are very high fixed costs, especially for the underground infrastructure and the utilities.
3. The units lack consistency in developing comprehensive plans and capital improvement programs. None of the units has a professional planner. With consolidation these problems could be addressed and improve their capability to attract economic development.
4. There are three municipal administrations and three municipal legislative bodies, three Clerks, and three Treasurers. Savings in administrative overhead is estimated at 3 mills. It is anticipated that in the long run a millage reduction will occur.
5. The combined population of the three municipalities decreased 51% from 1930-1990.
The 1990 combined population: 3,614
The 1990 population: Iron River 2,095 58 % of total
 Stambaugh 1,319 36 % of total
 Mineral Hills 200 6 % of total
6. The land area of each municipality is:
 City of Iron River 2,280 acres
 Stambaugh 1,040 acres
 Mineral Hills 920 acres
 Total 4,960 acres
7. The 1999 millage rates were: Iron River 20.0 mills,
 Stambaugh 20.0 mills,
 Mineral Hills 19.1328 mills.
- 8.. The millage rates are in the top 10 percent state-wide. Service fees are above the state average as a percent of the total budget.

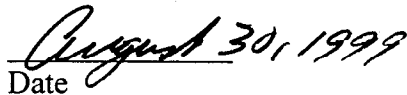
THE COMMISSION FINDS THAT

1. The municipalities have successfully combined their provision of some municipal services through joint agreements.
2. The residents of the municipalities could receive a broader range of municipal services at a lower cost if the municipalities are consolidated and no increase in millage rates will occur because the municipalities' millage rates are currently at the maximum amount allowed by law.
3. The increased availability of bonding and borrowing will help provide much needed infrastructure improvements.
3. The consolidation of the Village with the Cities will not cause an undue hardship to Iron River Township and will not result in a substantial reduction of tax base or revenues for the Township.
4. The municipal governments favor the continuation of the consolidation process.
6. The petitioners have presented reasonable rationales for requesting consolidation.
7. Topographical conditions do not preclude in any substantial way the proposed consolidation.
8. The proposed consolidation does not conflict with any natural boundaries and drainage basins.
9. The proposed consolidation will not have a deleterious effect on the broader community.
10. The proposed consolidation is not inconsistent with present adjacent or nearby land use patterns.
11. The record of this docket is persuasive in favor of having the process of consolidation go forward.

IN CONCLUSION,

1. The Commission has considered the record of this docket in accordance with the criteria stipulated under Section 9 of Public Act 191 of 1968, as amended.
2. On August 30, 1999 State Boundary Commissioners VerBurg, Rutledge and Iron River County Boundary Commissioners Shea and Evans held an adjudicative meeting during which:
 - Commissioners VerBurg, Rutledge, and Shea and Evans voted to recommend consolidation of the subject territory as petitioned and described herein.
3. On August 30, 1999, Commissioners VerBurg, Rutledge, Shea and Evans held an adjudicative meeting during which:
 - the draft Findings of Fact and Conclusions and the Order was reviewed, and
 - the Commission voted to adopt the Findings of Fact and Conclusions and to recommend that the Director of the Department of Consumer and Industry Services sign the Order.


Kenneth VerBurg, Chairperson
State Boundary Commission


Date

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FINAL ORDER

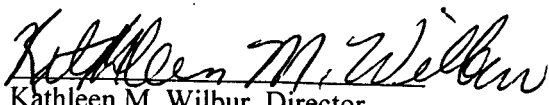
IT IS ORDERED THAT, these Findings of Fact and Conclusions approving the consolidation of the Cities of Iron River, Stambaugh, and the Village of Mineral Hills shall be final 45 days after the date the Director of the Department of Consumer and Industry Services signs the Order unless prior to 5:00 p.m. on the forty-fifth day a valid petition for a referendum is filed with the State Boundary Commission.

IT IS FURTHER ORDERED THAT, if a valid petition is filed during the 45-day period, the Order for a referendum on the question of consolidation shall include a new effective date for these Findings of Fact and Conclusions which shall be at least 10 days later than the date of the referendum.

IT IS FURTHER ORDERED THAT three City Charter Commissioners are to be appointed by each municipality. The foregoing shall be in accordance with Section 13(1), 13(2) and 14 of Public Act 191 of 1968, as amended.

IT IS FURTHER ORDERED THAT, if a referendum is held with the majority of the voters voting no on the question of consolidation in any one of the municipalities, then the Order approving the consolidation, the Order that City Charter Commissioners be appointed, and any City Charter Commissioner appointments are null and void.

IT IS FURTHER ORDERED THAT, the Executive Director shall forthwith transmit a certified copy of the Findings of Fact and Conclusions to the petitioner and to the clerks of Iron River Township, the Village of Mineral Hills, the City of Iron River, the City of Stambaugh, and the Iron County Clerk.


Kathleen M. Wilbur, Director
Department of Consumer and Industry Services


Date